

General Support for Local Schools

Mission

To provide for and advance a free and world-class education for all of Indiana's children through financial support of local schools.

Summary of Activities

Most operating funding for local schools is distributed on a per-student basis through the state tuition support formula, which also sets local property tax rates for school general fund property tax levies. During the current biennium some 85% of all formula funding for local schools will come from the state, comprising the largest single item in the state budget.

In 2002-03 state funding allowed the state's 293 school corporations and eleven charter schools to provide educational programs to almost one million students. More than twelve thousand school buses are used to transport students to public schools on a daily basis; they amassed more than 86 million route miles in the 2002-03 school year. Other state programs provide the funds by which schools meet federal and state mandates for desegregation, provide low-income students with reimbursement for textbook fees, and defray the costs of capital projects.

State funds help maintain 1,985 school buildings in a safe and healthful condition, and provide salary and benefits for 59,560 full-time teachers, 9,984 administrators, 18,705 instructional support personnel, and 38,277 non-certified personnel. State support also helps the Teachers' Retirement Fund pay the retirement benefits of over 35,000 retired teachers.



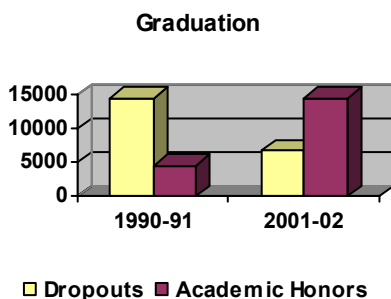
Dr. Suellen Reed
Superintendent of
Public Instruction

External Factors

The cost of public education is in large part a function of the number of students who enroll in school each year. In Indiana, that number continues to climb — the state has experienced enrollment growth of almost 4.5 percent over the past ten years. Projections indicate that enrollment will rise by 15,000 students over the next five years. Transportation costs have risen by \$101 per pupil from 1997 to 2002. Public demands and expectations of Indiana's public education system continue to increase yearly.

Evaluation and Accomplishments

All Hoosier students are expected to meet rigorous yet attainable academic standards. Improvements in academic results during the past biennium have been significant. Attendance and graduation rates are at an all-time high—95.9 and 91.1 percent in 2001-02, respectively. Expectations have been raised and have resulted in an increase in the number of graduates following the "Core 40" college preparatory curriculum, from 13,956 in 1998 (the first year Core 40 diplomas were available) to 18,314 in 2002—a four-year gain of 32 percent.



The number of Academic Honors Diploma recipients has increased from 4,636 in 1991 to 14,574 in 2002—a gain of 314 percent over twelve years. During the same time frame, dropouts have declined from 14,581 to 6,714, a decrease of 217 percent. The state's ACT scores continue to be above the national average (In 2001 the state average was 21.4 compared to a national average of 21.0), and average SAT scores have increased 13 points since 1995-96, while the national average rose only seven points.

Plans for the Biennium

The Department of Education has two primary objectives for the biennium. One is to meet the mandates of Indiana law in regard to standards, assessment, and accountability; the second primary objective is to meet the requirements of the federal No Child Left Behind (NCLB) Act. The Education Roundtable is currently formulating a preschool through grade sixteen plan, referred to as the P-16 plan, which will reflect educational direction for all Indiana youth from preschool through the completion of the Baccalaureate



Degree.
The P-16 plan



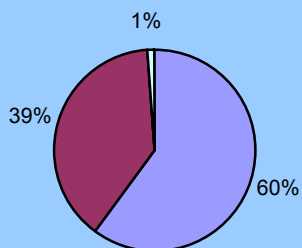
includes comprehensive standards, assessment, and accountability requirements. Following its adoption by the State Board of Education, the Department, in conjunction with the Commission for Higher Education, will implement this plan. The Department continues to develop, refine, and distribute standards for all K-12 content areas. With the development and implementation of the statewide Student Test Number (STN), the Department will be able to disaggregate student data, including both achievement and demographic characteristics, on a school building basis to meet the requirements of NCLB.

Program: 0000

	Actual FY 2001	Actual FY 2002	Estimate FY 2003	Appropriation FY 2004	Appropriation FY 2005
(All Funds)	\$3,299,649,035	\$3,156,184,039	\$3,437,548,327	\$3,394,234,873	\$3,434,062,665

**Sources of Funds
FY 2004 (Approp)**

General Dedicated Federal Other



**Uses of Funds
FY 2004 (Approp)**

Personal Services Distributions Capital Other

